

**COLLEGE STUDENT AID COMMISSION[283]**

**Notice of Intended Action**

**Proposing rule making related to student loan debt collection  
and providing an opportunity for public comment**

The College Student Aid Commission hereby proposes to amend Chapter 37, “Student Loan Debt Collection,” Iowa Administrative Code.

*Legal Authority for Rule Making*

This rule making is proposed under the authority provided in Iowa Code section 261.3.

*State or Federal Law Implemented*

This rule making implements, in whole or in part, Iowa Code chapter 261 as amended by 2019 Iowa Acts, Senate File 304.

*Purpose and Summary*

This proposed rule making implements 2019 Iowa Acts, Senate File 304, section 3, which repeals sections of the Iowa Code relating to license sanctions for defaulted student loan borrowers.

*Fiscal Impact*

This rule making has no fiscal impact to the State of Iowa.

*Jobs Impact*

After analysis and review of this rule making, no impact on jobs has been found.

*Waivers*

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Commission for a waiver of the discretionary provisions, if any, pursuant to 283—Chapter 7.

*Public Comment*

Any interested person may submit written or oral comments concerning this proposed rule making. Written or oral comments in response to this rule making must be received by the Commission no later than 4:30 p.m. on September 3, 2019. Comments should be directed to:

Karen Misjak  
Executive Director  
Iowa College Student Aid Commission  
475 S.W. Fifth Street, Suite D  
Des Moines, Iowa 50309-4608  
Phone: 515.725.3410  
Fax: 515.725.3401  
Email: [karen.misjak@iowa.gov](mailto:karen.misjak@iowa.gov) or administrative rules website at [rules.iowa.gov](http://rules.iowa.gov)

*Public Hearing*

No public hearing is scheduled at this time. As provided in Iowa Code section 17A.4(1)“b,” an oral presentation regarding this rule making may be demanded by 25 interested persons, a governmental

subdivision, the Administrative Rules Review Committee, an agency, or an association having 25 or more members.

*Review by Administrative Rules Review Committee*

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rule-making actions are proposed:

ITEM 1. Amend rule 283—37.1(261) as follows:

**283—37.1(261) General purpose.** ~~In collection of defaulted student loans, the commission may initiate the license sanction process described in Iowa Code sections 261.121 to 261.127 to suspend, revoke or deny issuance or renewal of a variety of licenses held or applied for by any person who has defaulted on an obligation owed to or collected by the commission. Licenses subject to this sanction are defined in Iowa Code section 252J.1(3). In addition to the procedures set forth in Iowa Code sections 261.121 to 261.127, this chapter shall apply.~~

~~The~~ In collection of defaulted student loans, the commission may apply administrative wage garnishment and state tax offset procedures established under Iowa Code chapter 261, specifically including private partnership loans authorized for collection under Iowa Code section 261.38.

ITEM 2. Rescind and reserve rule **283—37.3(261)**.

ITEM 3. Amend **283—Chapter 37**, implementation sentence, as follows:

These rules are intended to implement Iowa Code sections 261.37, and 261.38 ~~and 261.121 to 261.127.~~